



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Approve the transfer of \$88,435 from the 1996-97 HOME Funds allocation to repay San Joaquin County for funds loaned to the Hotel Lodi Project.

MEETING DATE: July 3, 1996

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Staff recommends that the Council approve the indicated transfer of funds. Community Development Department and Finance Department staff will then proceed with executing the transfer to San Joaquin County.

BACKGROUND INFORMATION: At the time the funding package was prepared for the hotel project (November of 1995), the City was short \$88,435 in CDBG funds. San Joaquin County was able to make up the shortfall from other sources and loan it to the City in order to make the project work. The City was responsible for repaying the County from future Federal allocations.

Staff is proposing to use \$88,435 from the City's 1996-97 HOME allocation, approximating \$193,195, to repay San Joaquin County. The balance of \$104,760 will be available for future housing projects. On March 20, 1996, when the Council approved the anticipated entitlement, staff indicated that the HOME funds would be used for an as yet to be implemented rental rehabilitation program. Hence, staff's request at this time for approval of the funding transfer.

FUNDING: 1996-97 HOME Funds

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Community Development Director

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KB/EV/lw

APPROVED: _____

H. Dixon Flynn -- City Manager